



**Health Services**  
LOS ANGELES COUNTY

**Los Angeles County  
Board of Supervisors**

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**Mark Ridley-Thomas**  
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Director

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Chief Medical Officer

**Christina Ghaly, M.D.**  
Deputy Director, Strategic Planning

July 17, 2012

**TO:** Supervisor Zev Yaroslavsky, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

**FROM:** Mitchell H. Katz, M.D.  
Director

**SUBJECT: NOTICE OF INTENT TO REQUEST DELEGATED  
AUTHORITY TO APPROVE A PERCENTAGE  
INCREASE EXCEEDING 10 PERCENT OF THE  
TOTAL AGREEMENT AMOUNT WITH PARATA  
SYSTEMS, LLC**

This is to advise the Board that the Department of Health Services (DHS) is scheduling a Board letter for the July 31, 2012 agenda that requests approval to amend equipment maintenance and repair service agreement with Parata Systems, LLC (Parata) to extend the agreement term and delegate authority for annual maximum obligation increases not to exceed 40 percent.

In accordance with Board of Supervisors' Policy 5.120, prior Board notice is required for any department requesting delegated authority to increase Board-approved Agreements by over 10 percent.

**BACKGROUND**

The Parata automated outpatient pharmaceutical dispensing systems are currently installed at nine DHS facilities. The systems can process more than 150 prescriptions per hour by using the workflow dispensing method that has three processes – imaging, packing, and filling. This system is also designed to use a bar-coded maintenance system to ensure accuracy and eliminate the potential for human error. By using this system the pharmacists can focus their time on providing counseling to patients on medication use and improve patient awareness and safety when using prescription medications.

Under the current maintenance agreement, Parata provides regular preventive maintenance services to meet manufacturer specifications, system software updates, and telephone technical support.

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[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

*To ensure access to high-quality,  
patient-centered, cost-effective  
health care to Los Angeles  
County residents through direct  
services at DHS facilities and  
through collaboration with  
community and university  
partners.*

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### **JUSTIFICATION**

Approval of the delegated authority to increase the annual maximum obligation by up to 40 percent will allow DHS to cover Parata equipment coming off warranty; add other DHS facilities to the agreement; and provide emergency or unforeseen equipment repair services. This request for delegated authority is necessary to enable the agreement to be amended timely to guarantee that critical equipment is maintained appropriately to ensure the safety of patients, as well as to meet the requirements of regulatory agencies, including The Joint Commission. Board policy generally allows delegated authority up to 10 percent of the total agreement amount. However, based on past experience with several other equipment maintenance service agreements, DHS believes that the 40 percent requested for potential increases is appropriate since adding even a few pieces of equipment to an agreement may use up the entire 40 percent allotment. This increase will also ensure that the facilities are able to continue to provide critical patient care and do not anyway jeopardize patient safety.

### **NOTIFICATION TIMELINE**

Consistent with the procedures of Board Policy 5.120, we are informing the Board of our intention to proceed with the filing of the Board letter with Executive Office of the Board for the July 31, 2012 Board Meeting.

If you have any questions or need additional information, please let me know, or your staff may contact Kathy Hanks, at (213) 240-7819 or [khanks@dhs.lacounty.gov](mailto:khanks@dhs.lacounty.gov).

MHK:kh

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors